

Amendments to Senate Bill No. 419
1st Reading Copy

Requested by Senator Verdell Jackson

For the Senate Taxation Committee

Prepared by Lee Heiman
March 9, 2009 (1:59pm)

1. Title, line 6.

Following: "DISTRICT;"**Insert:** "PROVIDING FOR A REDUCED BASE VALUATION OF A COUNTY ROAD
IMPROVEMENT AND MAINTENANCE TAX INCREMENT FINANCING
DISTRICT; EXEMPTING ALL STATE AND DISTRICT SCHOOL LEVIES
FROM DETERMINING THE INCREMENTAL VALUE OF A COUNTY ROAD
IMPROVEMENT AND MAINTENANCE TAX INCREMENT FINANCING
DISTRICT;"

2. Title, line 11.

Strike: the first "AND"**Following:** "7-15-4324,"**Insert:** "AND 17-6-316,"

3. Page 1, line 19.

Strike: "subdivided"**Insert:** "identified"

4. Page 2, line 22.

Following: "(4)"**Insert:** "(a)"

5. Page 2.

Following: line 25**Insert:** "(b) For the purposes of a county road improvement and
maintenance district, base taxable value includes only the
taxable value of parcels intended for residential use and
improvements on the parcels."

6. Page 3, line 6.

Strike: "land and residential improvements"**Insert:** "parcels intended for residential use and improvements on
the parcels"

7. Page 3, line 7.

Strike: "of all" through "district"

8. Page 4, line 26 through line 27.

Strike: "university" on line 26 through "system" on line 27**Following:** "property" on line 27

Insert: "that are listed in subsection (2) (b) "

9. Page 4.

Following: line 28

Insert: "(b) The following mill levies are not a part of a tax increment:

(i) university mills levied pursuant to 15-10-108; and

(ii) for a county road improvement and maintenance district, all mills levied for state and school district purposes pursuant to Title 20."

Renumber: subsequent subsection

10. Page 5, line 3.

Following: "financing."

Insert: "(1) "

11. Page 5, line 4 through line 5.

Strike: "county" on line 4 through "project," on line 5

12. Page 5, line 8.

Strike: "(1) "

Insert: "(a) "

Renumber: subsequent subsections

13. Page 5, line 11.

Strike: "county road infrastructure"

14. Page 5, lines 23 and 24.

Strike: "county road improvement and maintenance district,"

15. Page 5, line 28 through line 30.

Strike: "needs" on line 28 through ", the" on line 30

16. Page 6, line 4.

Strike: "county road improvement and maintenance district,"

17. Page 6, line 13.

Following: line 12

Insert: "(2) Tax increments may be used by a county road improvement and maintenance district to pay for:

(a) county road infrastructure;

(b) administrative costs associated with the management of the district;

(c) the compilation and analysis of pertinent information required to adequately determine the needs of a county road improvement and maintenance infrastructure development project in the district; and

(d) the connection of the district to existing infrastructure outside the district."

18. Page 14, line 11.

Insert: "Section 18. Section 17-6-316, MCA, is amended to read:

"17-6-316. Economic development loan -- infrastructure tax credit. (1) A loan made pursuant to 17-6-309(2) must be used to build infrastructure, as provided for in 7-15-4288~~(4)~~(1)(d), such as water systems, sewer systems, water treatment facilities, sewage treatment facilities, and roads, that allows the location or creation of a business in Montana. The loan must be made to a local government that will create the necessary infrastructure. The infrastructure may serve as collateral for the loan. The local government receiving the loan may charge fees to the users of the infrastructure. A loan repayment agreement must provide for repayment of the loan from the entity authorized to charge fees for the use of the services of the infrastructure. Loans made pursuant to 17-6-309(2) qualify for the job credit interest rate reductions under 17-6-318 if the interest rate reduction passes through to the business creating the jobs.

(2) A loan pursuant to 17-6-309(2) and this section may not be made until the board is satisfied that the condition in 17-6-309(2) will be met. If the condition contained in 17-6-309(2) is not met, any credits received pursuant to subsection (3) of this section must be returned to the state.

(3) A business that is created or expanded as the result of a loan made pursuant to 17-6-309(2) and subsection (1) of this section is entitled to a credit against taxes due under Title 15, chapter 30 or 31, for the portion of the fees attributable to the use of the infrastructure. The total amount of tax credit claimed may not exceed the amount of the loan. The credit may be carried forward for 7 tax years or carried back for 3 tax years."

{Internal References to 17-6-316: None.}"

Renumber: subsequent sections

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